

Indiana Housing Finance Authority

Annual Owner Certification and Beneficiary Report Instructions

The Annual Owner Certification of Compliance must be submitted annually to IHFA for all rental Developments. The Certification must be submitted to IHFA on or before January 31 of each year and must report for the entire preceding twelve (12) month period. Therefore, the owner must report all tenants living in the Tax Credit, HOME, CDBG or Trust Fund property from January 1 to December 31.

IHFA has provided all forms necessary for the owner to complete the Annual Certification of Compliance. Failure to supply legible and complete Annual Owner Certifications is considered by Internal Revenue Service (IRS), HUD and IHFA to be noncompliance. Below is a listing of all documents that must be submitted as the Owner Certification along with detailed instructions for their completion.

Owner Certification Checklist (Tax Credits Properties Only)

This checklist is a tool that should be used by the owner when completing the Owner Certification. Items one (1) through five (4) must be submitted to IHFA every year of the Compliance Period of a Tax Credit property. Items six (5) through ten (9) must be submitted with the first Owner Certification submitted to IHFA, or if the items have never been submitted, then the outstanding items should be submitted as soon as possible.

Owner Certification of Compliance

The Owner Certification of Compliance document is seven pages and has twenty (20) items which the owner must certify to. Some of the items require the owner to provide information that is unique to his/her development.

- (i) The owner must give the Building Identification Number (BIN), the name of the Development, the date the individual building was first placed in service, and the first year credits were claimed for each individual building in the development. For Developments with HOME, CDBG and/or Trust Fund as well, the owner must provide the Award number, name of Development and the date the building was first placed in service.
- (ii) **For Developments with RHTCs only:** The owner must mark which minimum set-aside the property meets. The 20/50 test under Section 42 of the Code means that 20% or more of the residential units in the development are both rent-restricted and occupied by individuals whose income is 50% or less of area median gross income. The 40/60 test under Section 42 of the Code means that 40% or more of the residential units in the development are both rent-restricted and occupied by individuals whose income is 60% or less of area median gross income. Finally, the 15/40 test under Section 42 of the Code means that 15% or more of the tax credit units in the development are both rent restricted

and occupied by individuals whose income is 40% or less of area median gross income.

This selection must be the same as the minimum set-aside election the owner selected and reported on IRS Form 8609.

The owner is to report the applicable fraction of the property as defined by the code. If a change in applicable fraction has taken place the owner must attach a description of that change to the Owner Certification of Compliance.

In addition, the owner must report the total number of units in the development (both low-income units and market units). Furthermore the owner must report the number of qualified low-income units as defined by the Code. Please note that the total qualified low-income units is the number of qualified tax credit units in the property only. The owner should not include units that are low-income as defined by some other program but do not have tax credits associated with them.

- (iii) Please read and understand this section of the certification. The language in this section may not be changed.
- (iv) Please read and understand this section of the certification. The language in this section may not be changed.
- (v) Please read and understand this section of the certification. The language in this section may not be changed.
- (vi) Please read and understand this section of the certification. Also, mark the appropriate certification that pertains to the property. The language in this section may not be changed. Additionally, if a finding of discrimination has occurred, the owner must submit documentation of the findings with the certification.
- (vii) The Owner must mark the appropriate certification that applies to the Development. The language in this section may not change. **For HOME, CDBG & Trust Fund Properties only:** There is additional language in this section that you must read and understand. The language in this section may not be changed.
- (viii) The Owner must mark the appropriate certification that applies to the Development. The language in this section may not be changed.
- (ix) **For RHTC Properties only:** The Owner must mark the appropriate certification that applies to the Development. The language in this section may not be changed.
- (x) The Owner must mark the appropriate certification that applies to the Development. The language in this section may not be changed.

- (xi) The Owner must mark the appropriate certification that applies to the Development. The language in this section may not be changed.
- (xii) Please read and understand this section. The language in the section may not be changed.
- (xiii) Please read and understand this section. The language in the section may not be changed.
- (xiv) Please read and understand this section of the certification. The language in this section may not be changed.
- (xv) Please read and understand this section of the certification. The language in this section may not be changed.
- (xvi) Please read and understand this section of the certification. The language in this section may not be changed.
- (xvii) Please read and understand this section of the certification. The language in this section may not be changed.
- (xviii) Please read and understand this section of the certification. The language in this section may not be changed.
- (xix) Please read and understand this section of the certification. The language in this section may not be changed.
- (xx) Owner must provide the county in which the Declaration of Extended Low-Income Housing Commitment was recorded. The language in this section may not be changed.

Please understand that the Owner must sign this document and is signing it under penalties of perjury. The language immediately before the Owner's signature may not change.

Finally, the owner or Authorized Signatory for the owner entity must sign the certification and also have his/her signature notarized.

Rental Housing Tax Credit Program Development and Building Information
--

A Rental Housing Tax Credit Program Development and Building Information Form must be submitted to IHFA every year. This form allows IHFA to track any changes in owner entity and management entity address and phone number. However, please note that IHFA must be made aware immediately of any changes in owner entity or management entity.

Please complete the Rental Housing Tax Credit Program Development and Building Information Form and submit it to IHFA.

Consolidated Annual Beneficiary Report
--

Tax Credit Properties Only

***NOTE: If the owner has elected to report the tenant/unit information via IHFA's Compliance Reporting Web Site, the Consolidated Annual Beneficiary Report does not need to be completed and submitted with the property's monitoring fees, Owner Certification of Compliance, and subsequent forms. However, the owner must electronically submit (click the final submission button) the information through the Compliance Reporting Web Site by 12:00 midnight on January 31. Additionally, if the property contains, HOME, CDBG or Trust Fund dollars no additional submissions are required.**

A separate Rental Housing Tax Credit Development Compliance Report must be completed for each individual building in the Development. This report must provide a summary of all units and all tenants located in a specific building for the preceding year (January 1 – December 31) . This report must be fully completed in the format provided by IHFA and should provide all information related to each individual unit and tenant within a specific building for the entire year. **The owner may elect to re-create this form on his/her computer, use software that is conducive to such reporting, or submit this information using IHFA's Compliance Reporting Web Site. However, all information requested on this form must appear on the report and be submitted in the same format as IHFA has provided for the owner. All tenants residing in the building from January 1 through December 31 (365 days) must be included on this report.**

Please note that all information reported on this form must correspond to the owner's Final Application and Declaration of Extended Low-Income Housing Commitment.

HOME, CDBG and Trust Fund Properties

***NOTE: For properties with HOME, CDBG or Trust Fund only, the Compliance Reporting Website will not be available until the 2003 Report submission.**

Below are instructions for completing all of the information needed on the Consolidated Annual Beneficiary Report:

- | | |
|----------------------------|---|
| 1) Date of Report: | The date the RHTC, HOME, CDBG, or Trust Fund Consolidated Beneficiary Report is completed. |
| 2) Award Recipient: | Enter the legal entity that received the RHTC, HOME, CDBG or Trust Fund award. |
| 3) Funding Type: | For Tax Credit properties identify the Building Identification Number which was assigned to the specific building. Refer to IRS Form 8609, which was issued for the building. For HOME, |

CDBG or Trust Fund properties enter the award number for all funding sources that apply to the property and the corresponding number of units for all that apply for all funding types.

- 4) **Development Name:** The name used by the Development.
- 5) **Building/Property Address:** The address of the specific building identified by the BIN or award number.
- 6) **County:** Provide the name of the Project County.
- 7) **Report Type:** Indicate what type of report is being submitted. Initial (first submission), Interim (on-going), Final (Last report before affordability period is completed.)
- 8) **Report period:** Enter the appropriate year that report covers.
- 9) **Housing Activity:** Indicate all types of housing activities that apply.
- A) **Unit # or Address:** Enter the Unit # or property address.
- B) **Funding Type:** Identify the type of funding for each unit identified in (A).
- C) **Tenant Name:** Identify the name of the tenant who occupied or is occupying the unit during the year. Last name only is adequate.
- D) **Type of Event:** Indicate the type of event being reported by using the following codes:
MI = Tenant initially moved into building
MO = Tenant moved out of unit
R = Tenant's income and RHTC, HOME, CDBG or Trust Fund qualifications have been re-certified. This event may occur more than one time per year. The owner should report all RHTC, HOME, CDBG or Trust Fund re-certifications that occurred during the year.
V = Unit is currently Vacant
RT = (Tax Credits Only). Tenant's income and RHTC qualifications have been re-certified due to a transfer to another unit within the building. When a transfer within the same building occurs, the MO code should be used with the unit the tenant moves out of and the RT code should be used with the unit the tenant transfers to.

- E) **Date of Event:** Enter the date of the move-in, re-certification, re-certification/transfer, or move-out. **Please note that this report must include all tenants residing in the units from January 1 – December 31.**
- F) **# of Bedrooms:** Indicate the number of bedrooms in the unit.
- G) **Unit Sq. Ft.:** **(Tax Credits Only)** Indicate the total square footage of the unit.
- H) **Unit Type:** Indicate the unit type:
30% = Unit is set aside for a household with income of 30% of area median income or less.
40% = Unit is set aside for a household with income of 40% of area median income or less.
50% = Unit is set aside for a household with income of 50% of area median income or less.
60% = Unit is set aside for a household with income of 60% of area median income or less.
M = Market Rate Unit. No income or rent limitations required.
TNC = Temporarily Non-Compliant
- I) **Household Size:** Indicate the total number of household members in the unit.
- J) **Race of Household:** Indicate the ethnic background of the tenant using the following codes:
AN = American Indian of Alaskan Native
A = Asian or Pacific Islander
W = White, not of Hispanic origin
H = Hispanic
B = Black, not of Hispanic origin
O = Other Nationality or more than one ethnic background in household
- K) **Household Income:** Enter the total Annual Gross Income of the household.
- L) **Female Headed Household Yes/No:** Indicate if the unit is occupied by a female head of household.

- M) Rent Paid by Tenant:** Enter the actual dollar amount the tenant pays out-of-pocket monthly.
- N) Amount of Rental Assistance:** Actual dollar amount of rental assistance. If no rental assistance is provided for this unit, leave this space blank.
- O) Utility Allowance:** Indicate the actual dollar amount of the utility allowance being used for the unit. See RHTC Utilities Form (For Tax Credit Properties). Also, documentation supporting the utility allowance amounts listed must be submitted with the owner certification. For HOME, CDBG and Trust Fund units enter the utility allowance for the tenant paid utilities.
- P) Set-aside for Special Needs:** **(Tax Credits Only)** By placing either “yes” or “no” in the space provided, indicate if the unit is or is not being used as a set-aside unit for a Special Needs population. The owner of the property will have indicated how many units are set-aside for the special needs population in the Final Application for Tax Credits for the development submitted to IHFA.
- Q) Special Needs Code:** **For Developments with Special Needs set-asides only!** Indicate the type of special need for the tenant using the following codes:
D = Persons with Disabilities
E = Household with at least one person 55 or older
H = Homeless individuals or homeless Families
 If the unit is not set-aside for a special needs population, leave this space blank.

Rental Housing Tax Credit Utilities Form

The Rental Housing Tax Credit Utilities Form must be submitted the first year with the Owner Certification of Compliance. This form provides information on Owner and tenant paid utilities. The Owner must mark the utilities that are offered at the Development and also whether it is the owner’s or tenant’s responsibility to pay the offered utilities.

For those utilities that are paid by the tenant, a utility allowance must be used by the Owner. The utility allowance is included in Tax Credit rent and will be added to the tenant’s out-of-pocket rent when determining total rent paid by the tenant. In addition,

the Owner must use the utility allowance that is applicable to the Development. Please read this form carefully and use the applicable utility allowance.

IHFA will not provide utility allowances for Owners. It is the responsibility of the Owner to obtain the correct utility allowance from the appropriate agency.

Also, if any information on this form has changed at all during the Compliance Period of the Development, the owner must submit a new form with the new information immediately.

Property Directional Form (Tax Credits Only)

This form must be completed and submitted with the first Owner Certification of Compliance.

Authorized Signatory Form (Tax Credit Only)
--

Only owners, partners, or members of the partnership of Low-Income Housing Tax Credit (LIHTC) development may sign documentation submitted to IHFA regarding specific LIHTC developments. This documentation may include Final Application, IRS Form 8609, Owner Certifications, etc.

The Authorized Signatory Form is for IHFA use only and will be used to verify signatures on documentation submitted to IHFA.

If someone other than the owner, partner, or member of the partnership will be signing the documentation, the documentation verifying Power of Attorney or Authorization of Representation must be submitted with the Form.